

29 March 1982

MEMORANDUM FOR: Director of Central Intelligence  
FROM : SA/DCI/IA  
SUBJECT : NSC Meeting on Versailles Summit

*Thursday's*

1. Attached are materials for ~~tomorrow's~~ NSC meeting on the Versailles Summit. There are three papers which will be reviewed and discussed. Only the first, on East-West economic relations, has been drafted principally by the U.S. The other two papers are inputs to papers being drafted by the European Commission and Italy.

2. Per your request at our meeting today with [redacted] the DDI has provided comments and suggestions on the East-West economic paper. I believe their comments are generally good, but the conclusion to paragraph 5 is a bit murky. I believe what SOVA is trying to say here regarding the impact of restrictions on Western government credit is that the impact will further exacerbate Soviet current and short-term hard currency problems, but only after a number of years. If the Soviets cannot rectify their hard currency problem in the short term, they will be in deep trouble in the longer term, regardless of Western credit restraints.

3. [redacted] has offered a few comments on the energy security paper. He believes that it is deficient in its treatment of future oil prices and it underplays the potential in Western Europe to develop alternative sources of natural gas.

4. In response to your request for some thoughts on security assistance, Harry provided a rundown of recent trends in security assistance and offers some thoughts on where increased U.S. security assistance might be important in the future.

5. Tomorrow's meeting is scheduled to last only 45 minutes, so you probably will not have much time to get into any one of these topics in much depth, but I believe you have the backup herein to make the points you indicated you wanted to lay out on the table. Please let me know if there is anything else I can get you.

cc: DDCI  
Executive Director (w/o att)